

## Revenue Review Meeting

November 16, 2006

# **AGENDA**

## **REVENUE REVIEW MEETING**

**November 16, 2006**



- ❖ **OTHER AGENCY REVENUES**
- ❖ **2005-07 BIENNIUM**
- ❖ **2007-09 BIENNIUM**
- ❖ **BACKGROUND**
- ❖ **ADOPTION OF THE OFFICIAL FORECAST**

**General Fund-State Cash Estimates - Other Agencies**  
**Comparison of November 2006 to September 2006 Forecast**  
**2005-07 Biennium**  
**(Amounts in Millions)**

<b>Source/Agency</b>	<b>September 2006 Baseline</b>	<b>Non-Economic Changes</b>	<b>Forecast Changes</b>	<b>November 2006 Baseline</b>	<b>Total Changes</b>
Department of Licensing	\$41.2	\$0.0	\$0.0	\$41.2	\$0.0
Insurance Commissioner Insurance Premiums	\$492.9	\$0.0	\$0.0	\$492.9	\$0.0
Liquor Control Board Liquor Profits and Fees	\$98.8	\$0.0	\$0.8	\$99.5	\$0.8
Beer and Wine Surtax	\$4.1	\$0.0	\$0.2	\$4.2	\$0.2
Lottery Commission Lottery Revenue	\$9.5	\$0.0	\$0.0	\$9.5	\$0.0
State Treasurer Interest Earnings	\$150.0	\$0.0	\$0.6	\$150.6	\$0.6
Office of Financial Management Other Agencies	\$29.5	\$0.0	\$7.3	\$36.8	\$7.3
<b>Total General Fund-State</b>	<b>\$825.8</b>	<b>\$0.0</b>	<b>\$8.8</b>	<b>\$834.6</b>	<b>\$8.8</b>

**General Fund-State Cash Estimates - Other Agencies**  
**Comparison of November 2006 Baseline to Alternative Forecasts**  
**2005-07 Biennium**  
**(Amounts in Millions)**

<b>Source/Agency</b>	<b>Optimistic</b>	<b>Baseline</b>	<b>Pessimistic</b>
Department of Licensing	\$41.8	\$41.2	\$40.6
Insurance Commissioner Insurance Premiums	\$499.2	\$492.9	\$486.6
Liquor Control Board Liquor Profits and Fees	\$100.5	\$99.5	\$98.5
Beer and Wine Surtax	\$4.3	\$4.2	\$4.2
Lottery Commission Lottery Revenue	\$9.5	\$9.5	\$9.5
State Treasurer Interest Earnings	\$172.5	\$150.6	\$132.0
Office of Financial Management Other Agencies	\$42.3	\$36.8	\$31.3
<b>Total General Fund-State</b>	<b>\$870.0</b>	<b>\$834.6</b>	<b>\$802.6</b>
Change from 11/06 Baseline	\$35.3		-\$32.0
Change from 9/06 Baseline	\$44.1	\$8.8	-\$23.2

**General Fund-State GAAP Estimates - Other Agencies**  
**Comparison of November 2006 to September 2006 Forecast**  
**2005-07 Biennium**  
**(Amounts in Millions)**

<b>Source/Agency</b>	<b>September 2006 Baseline</b>	<b>Non-Economic Changes</b>	<b>Forecast Changes</b>	<b>November 2006 Baseline</b>	<b>Total Changes</b>
Department of Licensing	\$42.4	\$0.0	\$0.0	\$42.4	\$0.0
Insurance Commissioner Insurance Premiums	\$492.9	\$0.0	\$0.0	\$492.9	\$0.0
Liquor Control Board Liquor Profits and Fees	\$98.8	\$0.0	\$0.8	\$99.5	\$0.8
Beer and Wine Surtax	\$4.1	\$0.0	\$0.2	\$4.2	\$0.2
Lottery Commission Lottery Revenue	\$7.6	\$0.0	\$0.0	\$7.6	\$0.0
State Treasurer Interest Earnings	\$152.3	\$0.0	\$0.4	\$152.8	\$0.4
Office of Financial Management Other Agencies	\$29.6	\$0.0	\$7.2	\$36.8	\$7.2
<b>Total General Fund-State</b>	<b>\$827.6</b>	<b>\$0.0</b>	<b>\$8.6</b>	<b>\$836.1</b>	<b>\$8.6</b>

**General Fund-State GAAP Estimates - Other Agencies**  
**Comparison of November 2006 Baseline to Alternative Forecasts**  
**2005-07 Biennium**  
**(Amounts in Millions)**

<b>Source/Agency</b>	<b>Optimistic</b>	<b>Baseline</b>	<b>Pessimistic</b>
Department of Licensing	\$43.0	\$42.4	\$41.7
Insurance Commissioner Insurance Premiums	\$499.2	\$492.9	\$486.6
Liquor Control Board Liquor Profits and Fees	\$100.5	\$99.5	\$98.5
Beer and Wine Surtax	\$4.3	\$4.2	\$4.2
Lottery Commission Lottery Revenue	\$9.5	\$7.6	\$7.6
State Treasurer Interest Earnings	\$174.6	\$152.8	\$134.2
Office of Financial Management Other Agencies	43.8	36.8	29.8
<b>Total General Fund-State</b>	<b>\$874.9</b>	<b>\$836.1</b>	<b>\$802.6</b>
Change from 11/06 Baseline	\$38.7		-\$33.5
Change from 9/06 Baseline	\$47.3	\$8.6	-\$25.0

**General Fund-State Cash Estimates - Other Agencies**  
**Comparison of November 2006 to September 2006 Forecast**  
**2007-09 Biennium**  
**(Amounts in Millions)**

<b>Source/Agency</b>	<b>September 2006 Baseline</b>	<b>Non-Economic Changes</b>	<b>Forecast Changes</b>	<b>November 2006 Baseline</b>	<b>Total Changes</b>
Department of Licensing	\$44.2	\$0.0	\$0.0	\$44.2	\$0.0
Insurance Commissioner Insurance Premiums	\$544.3	\$0.0	\$0.0	\$544.3	\$0.0
Liquor Control Board Liquor Profits and Fees	\$93.4	\$0.0	\$1.7	\$95.1	\$1.7
Beer and Wine Surtax	\$4.5	\$0.0	\$0.4	\$4.9	\$0.4
Lottery Commission Lottery Revenue	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
State Treasurer Interest Earnings	\$135.7	\$0.0	\$0.1	\$135.8	\$0.1
Office of Financial Management Other Agencies	\$16.4	\$0.0	\$0.9	\$17.3	\$0.9
<b>Total General Fund-State</b>	<b>\$838.5</b>	<b>\$0.0</b>	<b>\$3.1</b>	<b>\$841.6</b>	<b>\$3.1</b>

**General Fund-State Cash Estimates - Other Agencies**  
**Comparison of November 2006 Baseline to Alternative Forecasts**  
**2007-09 Biennium**  
**(Amounts in Millions)**

<b>Source/Agency</b>	<b>Optimistic</b>	<b>Baseline</b>	<b>Pessimistic</b>
Department of Licensing	\$45.5	\$44.2	\$42.9
Insurance Commissioner Insurance Premiums	\$557.9	\$544.3	\$530.7
Liquor Control Board Liquor Profits and Fees	\$97.0	\$95.1	\$93.2
Beer and Wine Surtax	\$5.0	\$4.9	\$4.8
Lottery Commission Lottery Revenue	\$6.8	\$0.0	\$0.0
State Treasurer Interest Earnings	\$198.7	\$135.8	\$77.5
Office of Financial Management Other Agencies	\$29.8	\$17.3	\$4.8
<b>Total General Fund-State</b>	<b>\$940.7</b>	<b>\$841.6</b>	<b>\$753.9</b>
Change from 11/06 Baseline	\$99.0		-\$87.7
Change from 9/06 Baseline	\$102.1	\$3.1	-\$84.6

**General Fund-State GAAP Estimates - Other Agencies**  
**Comparison of November 2006 to September 2006 Forecast**  
**2007-09 Biennium**  
**(Amounts in Millions)**

Source/Agency	September 2006 Baseline	Non-Economic Changes	Forecast Changes	November 2006 Baseline	Total Changes
Department of Licensing	\$46.8	\$0.0	\$0.0	\$46.9	\$0.0
Insurance Commissioner Insurance Premiums	\$544.3	\$0.0	\$0.0	\$544.3	\$0.0
Liquor Control Board Liquor Profits and Fees	\$93.4	\$0.0	\$1.7	\$95.1	\$1.7
Beer and Wine Surtax	\$4.5	\$0.0	\$0.4	\$4.9	\$0.4
Lottery Commission Lottery Revenue	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
State Treasurer Interest Earnings	\$134.2	\$0.0	\$0.1	\$134.3	\$0.1
Office of Financial Management Other Agencies	\$16.8	\$0.0	\$0.5	\$17.3	\$0.5
Total General Fund-State	\$840.1	\$0.0	\$2.6	\$842.7	\$2.6

**General Fund-State GAAP Estimates - Other Agencies**  
**Comparison of November 2006 Baseline to Alternative Forecasts**  
**2007-09 Biennium**  
**(Amounts in Millions)**

Source/Agency	Optimistic	Baseline	Pessimistic
Department of Licensing	\$48.3	\$46.9	\$45.5
Insurance Commissioner Insurance Premiums	\$557.9	\$544.3	\$530.7
Liquor Control Board Liquor Profits and Fees	\$97.0	\$95.1	\$93.2
Beer and Wine Surtax	\$5.0	\$4.9	\$4.8
Lottery Commission Lottery Revenue	\$8.9	\$0.0	\$0.0
State Treasurer Interest Earnings	\$197.1	\$134.3	\$76.0
Office of Financial Management Other Agencies	31.3	17.3	3.3
Total General Fund-State	\$945.5	\$842.7	\$753.4
Change from 11/06 Baseline	\$102.8		-\$89.3
Change from 9/06 Baseline	\$105.4	\$2.6	-\$86.7

# Summary of Changes to the General Fund-State Cash Forecast

Comparison of the November 2006 and the September 2006 Forecasts

2005-07 and 2007-09 Biennia

Millions of Dollars

	September 2006 Forecast <sup>1</sup>	November 2006 Forecast Change	November 2006 Non-economic Changes	November 2006 Forecast	Total Change
2005-07 Biennium	\$27,316.8	\$49.0	\$0.0	\$27,365.8	\$49.0
2007-09 Biennium	\$29,525.7	\$7.6	0.0	\$29,533.3	\$7.6
<b>Total Change: 05-07 &amp; 07-09 Biennia</b>		<b>\$56.6</b>	<b>\$0.0</b>		<b>\$56.6</b>

1: Adopted by the Forecast Council September 2006

**Changes to the General Fund-State Cash Forecast-by Agency**  
Comparison of the November 2006 to the September 2006 Forecast  
2005-07 Biennium  
Millions of Dollars

	<u>Sept. 2006 Forecast<sup>1</sup></u>	<u>Nov. 2006 Forecast Change</u>	<u>Nov. 2006 Non-economic Changes</u>	<u>November 2006 Forecast</u>	<u>Total Change*</u>
Department of Revenue	\$26,490.9	\$40.2	\$0.0	\$26,531.1	\$40.2
All other Agencies	\$825.8	\$8.8	\$0.0	\$834.6	\$8.8
Total General Fund-State*	<b>\$27,316.8</b>	<b>\$49.0</b>	<b>\$0.0</b>	<b>\$27,365.8</b>	<b>\$49.0</b>

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\*Detail may not add to totals due to rounding.

1: Adopted by the Forecast Council September 2006



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**November 2006**

Cash Basis

Alternative Forecasts

2005-07 Biennium

Millions of Dollars

	<u>2005-07 Biennium</u>	<u>Difference From the November 2006 Baseline</u>
November 2006 Baseline ( 50%)	\$27,366	
November 2006 Alternative Forecasts		
Optimistic (25 %)	\$27,649	\$283
Pessimistic (25 %)	\$27,067	(\$298)
GCEA*	\$27,243	(\$122)

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\* Based on the Governor's Council of Economic Advisors Assumptions.

**General Fund-State Cash Forecast**  
**Summary of November 2006 Changes to GFS Forecast**  
**2005-07 Biennium**  
**Millions of Dollars**

	Collection Experience: Sept. 11 - Nov. 10, 2006			Remainder of the Biennium (11/11/2006 - 6/30/07)		Total Change 2005-07 Biennium
	Actual Variance*	Special Factors <sup>1</sup>	Variance Excluding Special Factors	Forecast Change	Other	
Revenue Act**	\$28.9	5.8	\$23.1	5.2	0.0	\$34.1
Non Revenue Act	(\$8.2)	0.0	(\$8.2)	14.3	0.0	\$6.1
Property tax	(\$3.4)		(\$3.4)	9.9	0.0	\$6.4
Real estate ex. tax	\$3.0		\$3.0	3.9		\$6.9
Cigarette	\$0.2		\$0.2	(0.6)		(\$0.4)
other	(\$8.0)		(\$8.0)	1.2	0.0	(\$6.8)
Department of Revenue Subtotal	\$20.7	\$5.8	\$14.9	\$19.5	\$0.0	\$40.2
Department of Licensing	\$0.3		\$0.3	(\$0.2)		\$0.0
Lottery	0.0		\$0.0	\$0.0		\$0.0
All other	#N/A		#N/A	\$8.8	0	\$8.8
<b>Total General Fund-State</b>	<b><u>\$21.0</u></b>	<b><u>\$5.8</u></b>	<b><u>\$15.2</u></b>	<b><u>\$28.1</u></b>	<b><u>\$0.0</u></b>	<b><u>\$49.0</u></b>

\*Variance since the last (September 2006) forecast (Sept. 11 - Nov. 10, 2006.)

\*\*Retail sales, business & occupation, use, public utilities and tobacco products taxes and penalties & interest.

<sup>1</sup>-Unusually large audit payment.

# 2005-07 Biennial Balance Sheet Including Enacted 2006 Supplemental Budget

General Fund-State Dollars in Millions

<b>RESOURCES</b>	
<b>Beginning Fund Balance</b>	<b>869.7</b>
September 2006 Forecast	27,316.8
November 2006 Update	49.0
<b>Current Revenue Totals</b>	<b>27,365.8</b>
Legislatively-enacted fund transfers and other adjustments	204.8
<b>Total Resources (Includes Fund Balance)</b>	<b>28,440.3</b>
<b>APPROPRIATIONS AND SPENDING ESTIMATES</b>	
2005-07 Appropriations	25,952.4
2006 Supplemental Budget	
Maintenance and Policy Expenditures	522.5
Appropriations to Reserves and Other Funds	825.0
Governor's Vetoes	(2.0)
<b>Spending Level</b>	<b>27,297.9</b>
<b>UNRESTRICTED RESERVES</b>	
Projected General Fund Ending Balance	<b>1,142.4</b>

**Department of Revenue General Fund Forecast**  
**2005-07 Biennium; Cash Forecast**  
**Comparison of the November 2006 to the September 2006 Forecast**  
**Millions of Dollars**

<b>Source</b>	<b>September 2006 Forecast-1</b>	<b>Non-Economic Change</b>	<b>Forecast Change</b>	<b>November 2006 Baseline</b>	<b>Total Change</b>
Retail Sales	\$14,048.4	\$0.0	\$40.3	\$14,088.7	\$40.3
Business & Occupation	4,977.0	0.0	(5.2)	4,971.8	(5.2)
Use	959.5	0.0	2.6	962.1	2.6
Public Utility	666.3	0.0	(5.6)	660.7	(5.6)
Tobacco Products	16.5	0.0	(0.1)	16.4	(0.1)
Penalty & Interest	267.0	0.0	2.0	269.0	2.0
Revenue Act Subtotal	20,934.6	0.0	34.1	20,968.7	34.1
Liquor Sales/Liter	282.8	0.0	0.3	283.0	0.3
PUD Privilege	80.0	0.0	0.1	80.1	0.1
Cigarette	104.5	0.0	(0.4)	104.1	(0.4)
Property (State School Levy)	2,784.7	0.0	6.4	2,791.2	6.4
Inheritance/Estate	6.2	0.0	1.1	7.3	1.1
Leasehold Excise	45.6	0.0	(0.2)	45.4	(0.2)
Fish Excise	4.1	0.0	0.0	4.1	0.0
Real Estate Excise	1,876.8	0.0	6.9	1,883.7	6.9
other	353.4	0.0	(7.8)	345.6	(7.8)
Non Revenue Act Subtotal	5,538.1	0.0	6.5	5,544.6	6.5
State Share- Timber Ex.	18.2	0.0	(0.4)	17.8	(0.4)
<b>Total DOR General Fund</b>	<b>\$26,490.9</b>	<b>\$0.0</b>	<b>\$40.2</b>	<b>26,531.1</b>	<b>\$40.2</b>

1-Adopted by the Forecast Council, September 2006

# Track Record for the 2005-07 General Fund-State Cash Forecast

February 2004 through November 2006

Cash Basis - Millions of Dollars

<u>Date of Forecast</u>	<u>Department of Revenue*</u>	<u>Other Agencies</u>	<u>Subtotal*</u>	<u>Non Economic Changes**</u>	<u>Total Change</u>	<u>Total General Fund-State Cash Basis</u>
<b>February 2004****</b>	<b>\$24,293</b>	<b>\$660</b>				<b>\$24,953</b>
<b>Changes to Forecast</b>						
June 2004	57	4	62	(265) #1	(203)	24,750
September 2004	32	16	48	(22) #2	26	24,776
November 2004	(57)	3	(54)	0	(54)	24,722
March 2005	424	14	438	(275) #3	164	24,885
June 2005	327	14	341	159 #4	499	25,385
September 2005	631	15	646	0	646	26,031
November 2005	306	24	330	(25) #5	305	26,336
February 2006	138	21	159	(52) #6	107	26,443
June 2006	511	7	518	6 #7	524	26,967
September 2006	315	35	350	-	350	27,317
November 2006	40	9	49	-	49	27,366
<b>Total change***:</b>						
From February 2004	2,725	161	2,886	(474)	2,412	
Percent change	11.2%	24.4%	11.6%	-1.9%	9.7%	

\* Excludes legislative, judicial, statutorily required or other major non-economic changes.

\*\* Includes legislative, judicial, statutorily required or other major non-economic changes.

\*\*\* Detail may not add to total due to rounding.

\*\*\*\* First official forecast for the 2005-07 biennium.

#1 Change to the forecast due to 2004 legislation.

#2 Revision to fiscal note for high tech tax incentives

#3 Impact of the state Supreme Court decision invalidating the estate tax and lowering the b&O rate on certain meat products

#4 Impact of 2005 legislation, budget driven revenue on the GFS forecast (+\$353.8 million) and shift refunds associated with the two recent court decisions from fy 2005 to fy 2006 (-\$195.0 million)

#5 The combined impact of I-900 on GFS revenue, revision to the impact of the Agrilink court case on GFS revenue, an accounting adjustment and the impact of a 2003 tax law change.

#6 The Department of Revenue has determined that under current law the insurance industry is exempt from sales tax on telephone services. Impact includes on-going and refunds.

#7 Impact of 2006 legislation on GFS revenue in the 2005-07 biennium.

**Changes to the General Fund-State Cash Forecast-by Agency**  
Comparison of the November 2006 to the September 2006 Forecast  
2007-09 Biennium  
Millions of Dollars

	<u>Sept. 2006 Forecast<sup>1</sup></u>	<u>Nov. 2006 Forecast Change</u>	<u>Nov. 2006 Non-economic Changes<sup>3</sup></u>	<u>November 2006 Forecast</u>	<u>Total Change*</u>
Department of Revenue	\$28,687.2	\$4.5	\$0.0	\$28,691.6	\$4.5
All other Agencies	\$838.5	\$3.1	\$0.0	\$841.6	\$3.1
Total General Fund-State*	<b>\$29,525.7</b>	<b>\$7.6</b>	<b>\$0.0</b>	<b>\$29,533.3</b>	<b>\$7.6</b>

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\*Detail may not add to totals due to rounding.

1: Adopted by the ERFC September 2006.

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**November 2006**

Cash Basis

Alternative Forecasts

2007-09 Biennium

Millions of Dollars

	<u>2007-09 Biennium</u>	<u>Difference From the November 2006 Baseline</u>
November 2006 Baseline (50%)	\$29,533	
November 2006 Alternative Forecasts		
Optimistic (25 %)	\$31,201	\$1,667
Pessimistic (25 %)	\$27,760	(\$1,774)
GCEA*	\$29,057	(\$476)

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\* Based on the Governor's Council of Economic Advisors Assumptions.

**Department of Revenue General Fund Forecast**  
**2007-09 Biennium; Cash Forecast**  
**Comparison of the November 2006 to the September 2006 Forecast**  
**Millions of Dollars**

<b>Source</b>	<b>Sept. 2006 Forecast<sup>1</sup></b>	<b>Non-Economic Change</b>	<b>Forecast Change</b>	<b>November 2006 Baseline</b>	<b>Total Change</b>
Retail Sales	\$15,479.7	\$0.0	(\$0.6)	\$15,479.1	(\$0.6)
Business & Occupation	\$5,461.4	0.0	6.6	5,468.0	6.6
Use	\$1,085.5	0.0	(5.0)	1,080.4	(5.0)
Public Utility	\$705.9	0.0	0.9	706.8	0.9
Tobacco Products	\$18.2	0.0	(0.0)	18.2	(0.0)
Penalty & Interest	\$272.3	0.0	0.3	272.6	0.3
Revenue Act Subtotal	\$23,022.9	0.0	2.2	23,025.1	2.2
Liquor Sales/Liter	\$305.4	0.0	0.5	306.0	0.5
PUD Privilege	\$90.2	0.0	(0.7)	89.5	(0.7)
Cigarette	\$102.9	0.0	(0.8)	102.0	(0.8)
Property (State School Levy)	\$2,995.7	0.0	22.8	3,018.5	22.8
Inheritance/Estate	\$0.0	0.0	0.5	0.5	0.5
Leasehold Excise	\$49.9	0.0	(0.5)	49.4	(0.5)
Fish Excise	\$4.6	0.0	0.0	4.6	0.0
Real Estate Excise	\$1,773.5	0.0	(0.1)	1,773.3	(0.1)
other	\$321.3	0.0	(15.4)	305.8	(15.4)
Non Revenue Act Subtotal	\$5,643.5	0.0	6.3	5,649.8	6.3
State Share- Timber Ex.	\$20.8	0.0	(\$4.0)	16.8	(4.0)
<b>Total DOR General Fund</b>	<b>\$28,687.2</b>	<b>\$0.0</b>	<b>\$4.5</b>	<b>28,691.6</b>	<b>\$4.5</b>

1-Adopted by the Forecast Council September 2006.



# Track Record for the 2007-09 General Fund-State Cash Forecast

February 2006 through November 2006

Cash Basis - Millions of Dollars

<u>Date of Forecast</u>	<u>Department of Revenue*</u>	<u>Other Agencies</u>	<u>Subtotal*</u>	<u>Non- Economic Changes**</u>	<u>Total Change</u>	<u>Total General Fund-State Cash Basis</u>
<b>February 2006****</b>	<b>\$28,180</b>	<b>\$848</b>				<b>\$29,028</b>
<b>Changes to Forecast</b>						
June 2006	531	17	547	(112) #1	436	29,463
September 2006	76	(13)	62	-	62	29,526
November 2006	4	3	8	-	8	29,533
March 2007						
June 2007						
September 2007						
November 2007						
February 2008						
<b>Total change***:</b>						
From February 2006	611	6	617	(112)	506	
Percent change	2.2%	0.8%	2.1%	-0.4%	1.7%	

\* Excludes legislative, judicial, statutorily required or other major non-economic changes.

\*\* Includes legislative, judicial, statutorily required or other major non-economic changes.

\*\*\* Detail may not add to total due to rounding.

\*\*\*\* First official forecast for the 2007-09 biennium.

#1 Change to the forecast due to 2006 legislation.

## Summary of Updated Economic and Revenue Data since September Forecast

### Personal Income

2006Q2 estimate lowered by \$2.0 billion

### Employment

2006Q2 quarterly growth revised from 1.7% to 2.9%

July (last month of employment data in September forecast) employment revised upward by 18,600 jobs

2006Q3 quarterly growth revised from estimated 2.2% to actual 3.1%

### Revenue (September 11 through November 10)

Revenue Act: \$28.9 million above September forecast

Non-Revenue Act: \$7.9 million below September forecast

Total General Fund-State revenue: \$21.0 million above September forecast

Real Estate Excise Tax: \$3 million above September forecast

## Washington is Faring Better than the U.S. in 2006 So Far

### Personal Income (2005Q4 - 2006Q3 (forecast) annualized percent change)

U.S.	7.4%
WA	10.1%

### Payroll Employment (December 2005 - October 2006 annualized percent change)

U.S.	1.3%
WA	3.2%

### Authorized Housing Permits (2005Q4 - 2006Q3 percent change)

	<u>Total</u>	<u>Single Family</u>	<u>Multi-Family</u>
U.S.	-20.2%	-24.6%	-4.0%
WA	-9.5%	-23.9%	35.2%

### National Association of Realtors' Existing Home Sales

(2005Q4 - 2006Q2 percent change)

U.S.	-3.6%
WA	-0.5%

### Office of Federal Housing Enterprise Oversight House Price Index

(2005Q4 - 2006Q2 percent change)

US	3.4%
WA	7.7%

# Key Washington Economic Variables

	2004	2005	2006	2007	2008	2009
Nonfarm Payroll Employment, %Ch	1.6	2.8	3.3	2.3	2.2	1.9
Manufacturing Employment, %Ch	-1.3	3.1	5.0	2.2	0.5	0.0
Aerospace Employment, %Ch	-5.8	6.9	11.5	6.0	3.2	0.3
Other Manufacturing Employment, %Ch	0.2	2.0	3.0	0.9	-0.5	-0.1
Software Employment, %Ch	5.1	5.2	9.2	5.8	3.5	4.0
Construction Employment, %Ch	5.1	8.1	10.0	2.6	0.8	0.4
Service-Producing, %Ch	1.7	2.4	2.6	2.3	2.6	2.3
Unemployment Rate	6.3	5.5	5.1	5.5	5.5	5.6
Real Personal Income, %Ch	4.1	0.0	5.0	4.5	4.8	4.8
Seattle CPI, %Ch	1.2	2.8	3.4	2.6	2.4	1.9
Population, %Ch	1.3	1.6	1.9	2.0	1.9	1.7
Housing Units Authorized by Permit, %Ch	17.0	5.8	-4.3	0.3	-1.0	-5.7

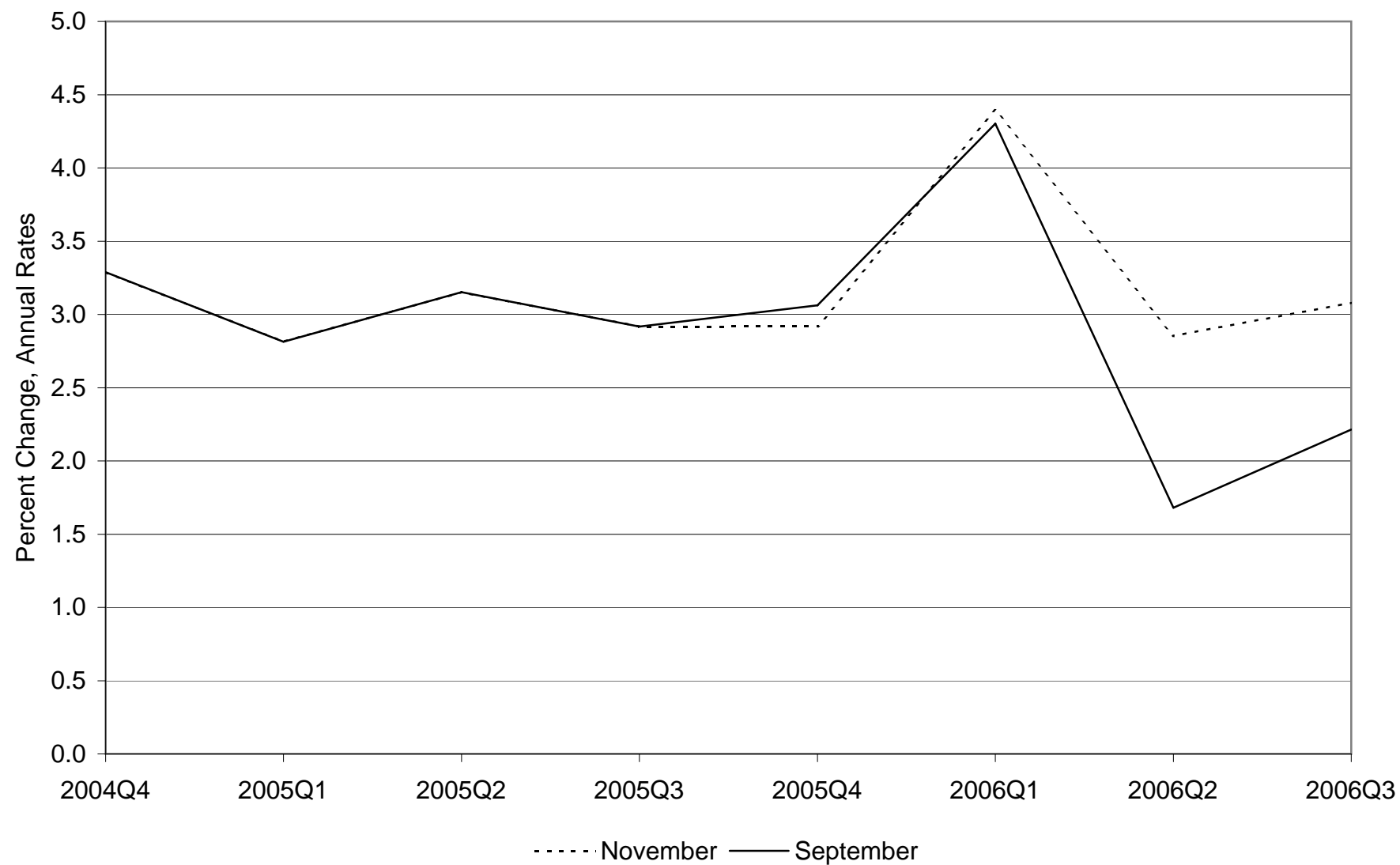
**Year-Over-Year Employment Growth by Industry  
(October 2005 to October 2006)  
Washington vs. U.S.**

	<b>Washington</b>		<b>U.S</b>
	<b>(000)</b>	<b>% Chg.</b>	<b>% Chg.</b>
<b>Total</b>	<b>101.2</b>	<b>3.6%</b>	<b>1.4%</b>
Software Publishers	5.2	12.5%	NA
Construction	18.0	10.0%	1.6%
Aerospace Product and Parts Manufacturing	6.1	8.9%	NA
Professional and Business Services	18.5	5.8%	2.7%
Information Excluding Software	2.6	4.9%	NA
Transportation, Warehousing and Utilities	4.2	4.7%	1.7%
Manufacturing Excluding Aerospace	8.3	4.0%	NA
Wholesale Trade	4.4	3.6%	1.6%
Leisure and Hospitality	8.5	3.2%	2.6%
Retail Trade	9.0	2.8%	-0.5%
Education and Health Services	9.1	2.7%	2.4%
Government Non-Education	4.2	1.4%	0.7%
Natural Resources and Mining	0.1	1.1%	8.2%
Other Services	0.9	0.9%	1.0%
Financial Activities	1.2	0.8%	1.9%
Government Education	0.9	0.4%	1.6%
Information	7.8	8.2%	0.0%
Manufacturing	14.4	5.2%	-0.2%

**Washington Geographic Breakdown**

Seattle-Bellevue-Everett MSA	51.6	3.7%
Tacoma MSA	8.9	3.3%
Spokane MSA	10.1	4.9%
Rest of WA	30.6	3.3%

## Washington Payroll Employment Growth Revised Higher



## Peaks and Troughs in WA Housing Permits

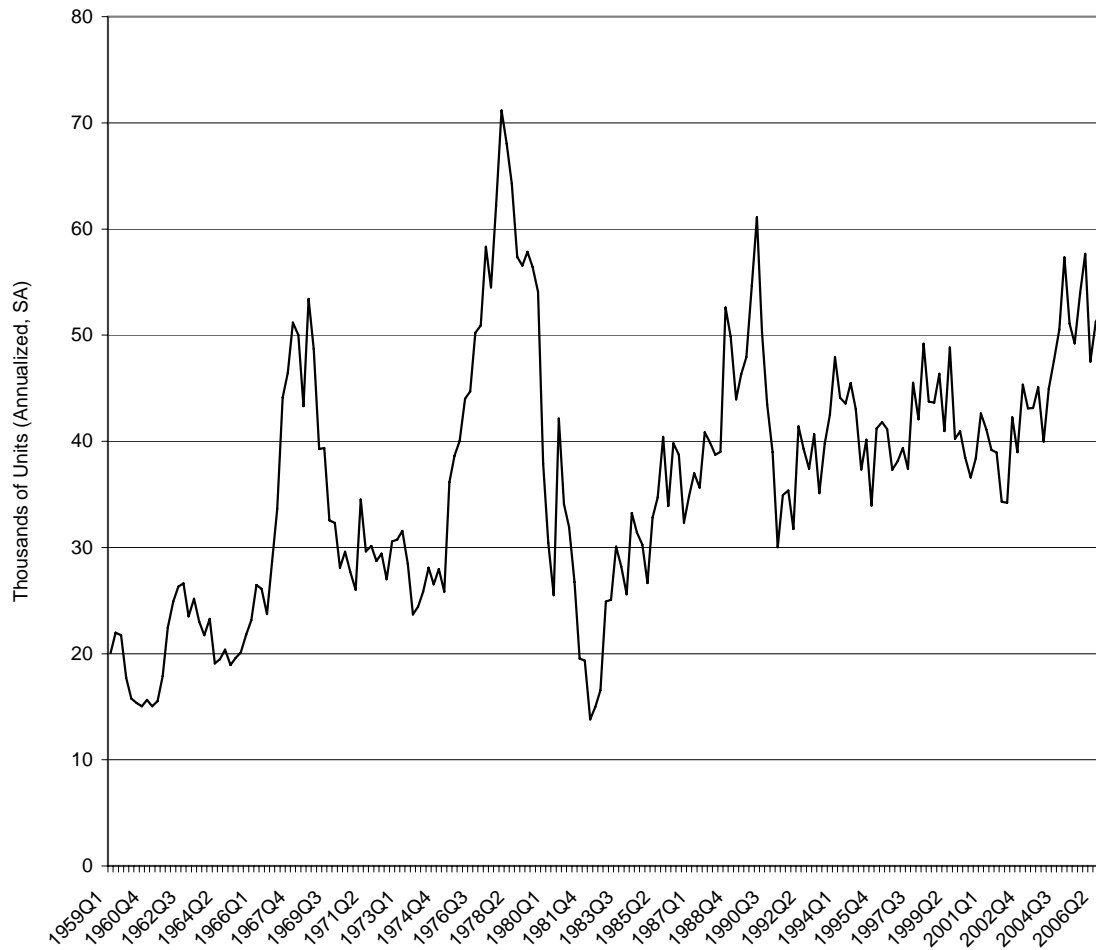
Peak	Units (000, annualized)	Trough	Units	Peak-to-Trough % Change	Number of Quarters to Reach Trough	YOY Emp. Growth at Peak	YOY Emp. Growth at Trough
1959Q2	22.0	1961Q1	15.0	-32%	7	NA	-1.6%
1962Q3	26.6	1964Q4	18.9	-29%	9	4.5%	1.1%
1968Q3	53.4	1973Q3	23.7	-56%	20	5.3%	4.5%
1977Q4	71.2	1982Q1	13.8	-81%	17	6.6%	-2.2%
1990Q1	61.1	1991Q1	30.0	-51%	4	6.0%	1.9%
1993Q4	47.9	1995Q3	33.9	-29%	7	1.6%	1.7%
1998Q1	49.2	2002Q1	34.2	-30%	16	3.7%	-2.6%
<b>2005Q4</b>	<b>57.7</b>					3.0%	
Average	48.6		24.2	-44%	11.4	4.4%	0.4%

Current level:

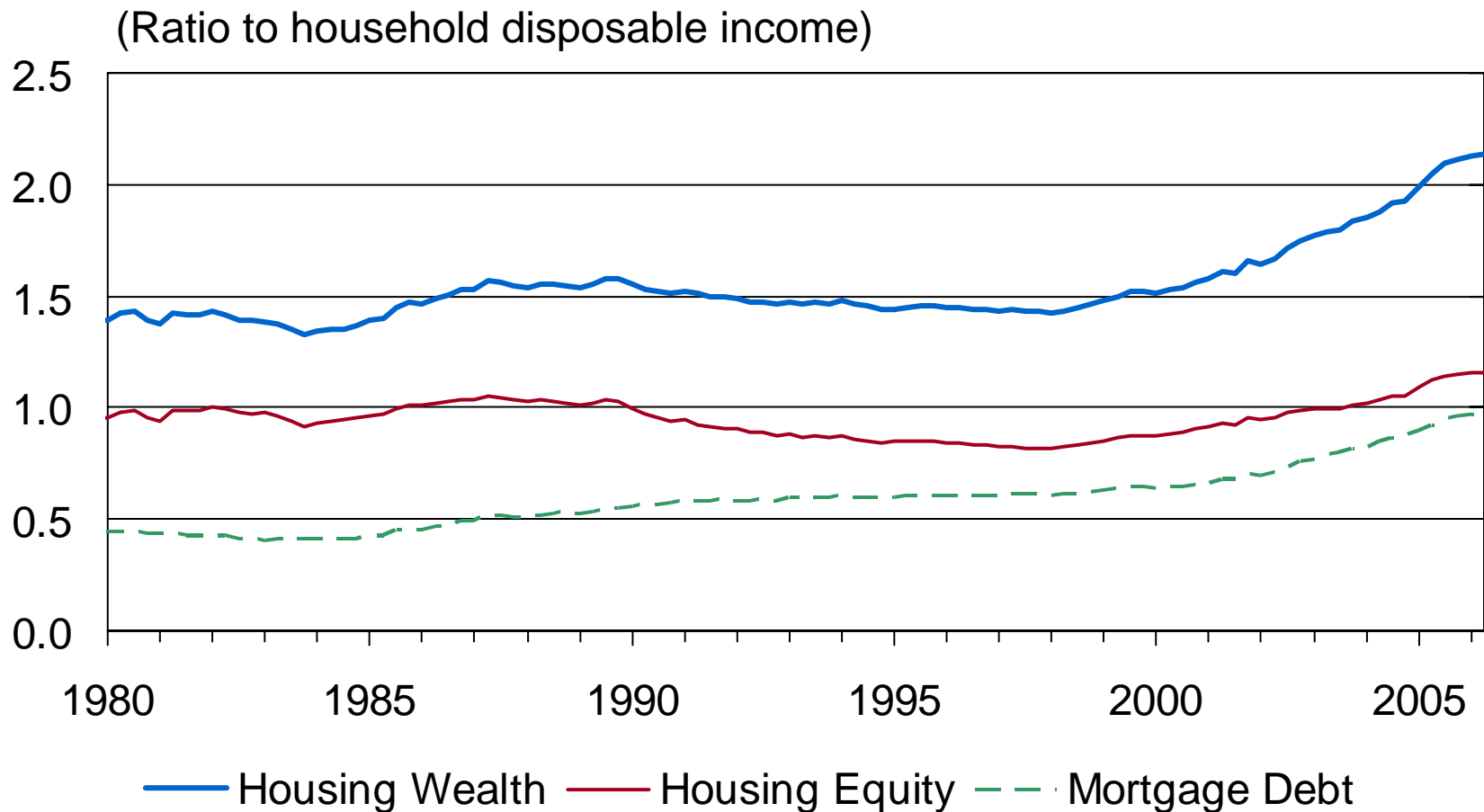
2006Q3      52.22      Peak-Current:      -9%

## Washington Housing Permits

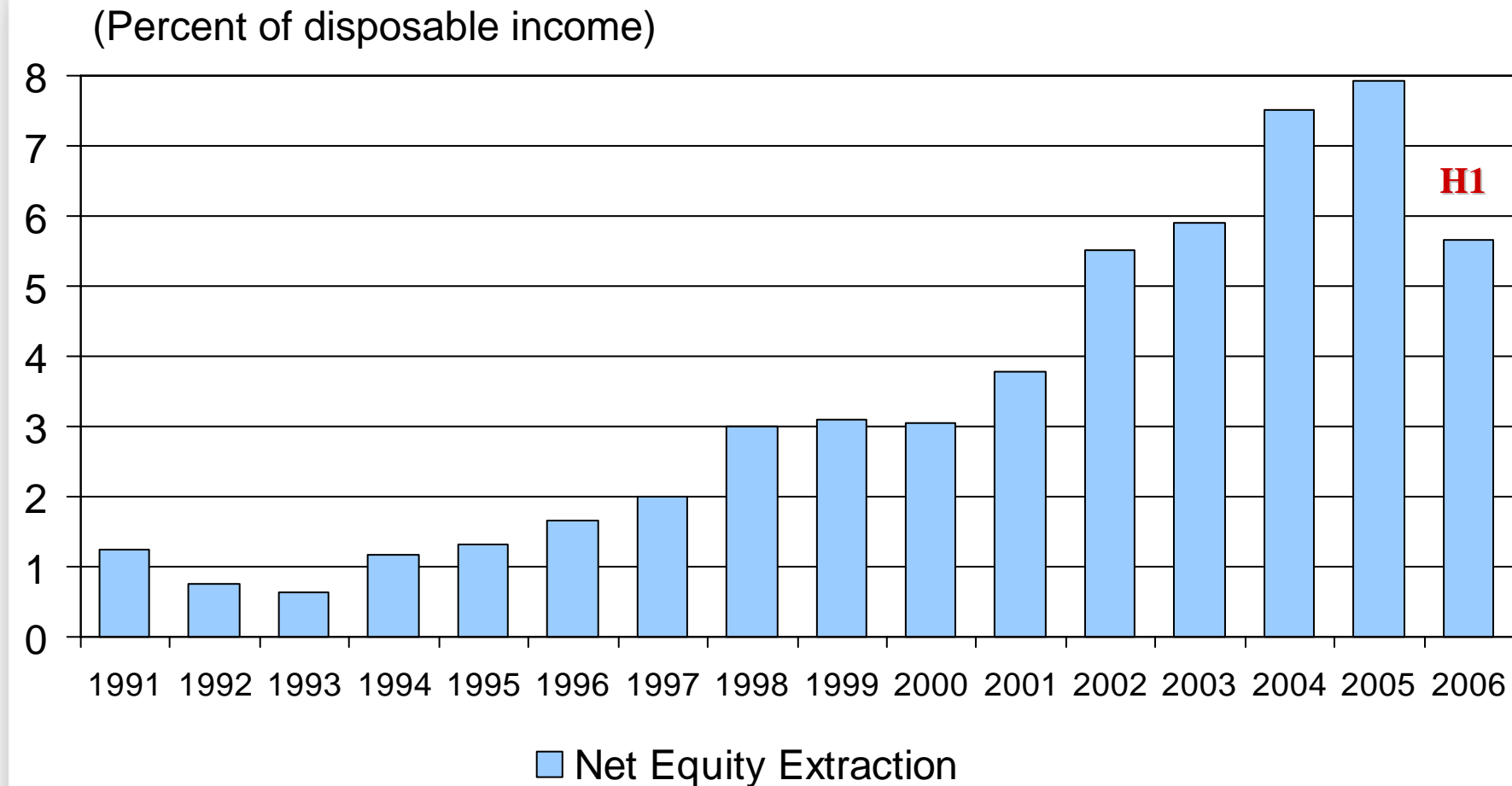
Sum of Single and Multi-Family Units



# Housing Wealth Has Supported Consumer Spending



# Mortgage Equity Withdrawal Will Slow



Source: Federal Reserve - Kennedy/Greenspan data updated as of September 2006



## Risks to the Forecast

Optimistic (20% Probability).

Strong productivity growth enables strong real growth without accelerating inflation.

U.S.

- Stronger productivity growth
- Stronger foreign economic growth
- Stronger dollar
- Stronger business investment
- Lower federal government budget deficits
- Stronger housing starts
- Lower energy prices

Washington

- Stronger population growth
- Stronger aerospace employment growth
- Stronger software employment growth
- Stronger construction employment growth
- Stronger wage growth
- Higher local inflation
- Higher personal income

Pessimistic (25% Probability).

Rising inflation produces monetary crackdown and slow real growth.

U.S.

- Less excess capacity globally and in the U.S.
- Weaker dollar
- Higher energy prices
- Higher inflation
- Higher interest rates
- Larger federal deficit
- Deeper housing downturn

Washington

- Weaker population growth
- Weaker aerospace employment growth
- Weaker software employment growth
- Weaker construction employment growth
- Weaker wage growth
- Lower local inflation
- Lower personal income

## Revenue Act Collection Growth Compared to Personal Income Growth

Percent Change from Year-ago Quarter\*\*

Quarter	Revenue Act*	Nov. 2006 (p)	
		Personal Income	Elasticity
94:4	7.0%	5.6%	1.2
95:1	4.2%	6.8%	0.6
95:2	6.4%	5.2%	1.2
95:3	4.0%	5.2%	0.8
95:4	2.9%	4.1%	0.7
96:1	6.1%	6.4%	1.0
96:2	4.0%	7.3%	0.5
96:3	5.6%	8.0%	0.7
96:4	4.2%	8.5%	0.5
97:1	9.5%	8.0%	1.2
97:2	10.1%	7.6%	1.3
97:3	8.0%	7.0%	1.1
97:4	9.4%	7.4%	1.3
98:1	3.2%	8.8%	0.4
98:2	4.3%	9.0%	0.5
98:3	7.9%	9.8%	0.8
98:4	5.8%	8.7%	0.7
99:1	7.5%	7.4%	1.0
99:2	6.9%	5.3%	1.3
99:3	6.6%	6.6%	1.0
99:4	6.5%	9.4%	0.7
00:1	8.6%	10.0%	0.9
00:2	6.3%	9.0%	0.7
00:3	3.9%	5.9%	0.7
00:4	5.2%	3.4%	1.5
01:1	2.7%	1.1%	2.5
01:2	1.3%	5.1%	0.3
01:3	-2.4%	3.6%	(0.7)
01:4	-2.5%	2.2%	(1.1)
02:1	-2.3%	2.8%	(0.8)
02:2	-0.6%	0.8%	(0.7)
02:3	2.3%	2.4%	1.0
02:4	0.3%	2.1%	0.1
03:1	-0.1%	1.1%	(0.1)
03:2	1.6%	2.4%	0.7
03:3	3.9%	3.9%	1.0
03:4	3.8%	3.6%	1.1
04:1	5.5%	3.6%	1.5
04:2	5.2%	4.2%	1.2
04:3	6.2%	3.5%	1.8
04:4	8.2%	5.2%	1.6
05:1	9.4%	5.9%	1.6
05:2	9.8%	4.5%	2.2
05:3	12.0%	5.9%	2.0
05:4	9.4%	6.3%	1.5
06:1	12.0%	8.0%	1.5
06:2	10.8%	7.3%	1.5
06:3	8.9%	8.8%	1.0

Ave: 94:4 to 2006:2:

0.9

\*Revenue Act collections consists of state retail sales, business & occupation, use, public utility and tobacco product taxes well as penalties and interest payments. Growth of net collections, excluding the impact of new legislation and unusually large audit payments, refunds or credits.

p/e: preliminary; two months actual; one month estimate.

## Growth Rates of Major Excise Taxes and Economic Drivers

### Percent Change from the Year-Ago Level

	Employment	Personal Income		Revenue Act*	
		Nominal	Real	Nominal	Real
1994:1	2.1	4.8	2.8	7.1	5.1
1994:2	2.0	4.7	2.8	5.0	3.1
1994:3	1.8	5.4	3.0	4.5	2.1
1994:4	2.5	5.6	3.3	6.7	4.3
1995:1	2.5	6.8	4.3	3.8	1.4
1995:2	2.3	5.2	2.8	5.8	3.3
1995:3	1.7	5.2	3.3	5.3	3.3
1995:4	0.9	4.1	2.2	1.3	-0.6
1996:1	1.8	6.4	4.2	5.4	3.3
1996:2	2.3	7.3	5.1	4.0	1.9
1996:3	3.2	8.0	5.8	6.2	3.9
1996:4	4.4	8.5	6.0	6.5	4.0
1997:1	3.9	8.0	5.7	8.8	6.5
1997:2	4.3	7.6	5.7	8.0	6.2
1997:3	4.1	7.0	5.3	7.8	6.1
1997:4	4.0	7.4	6.1	10.0	8.7
1998:1	3.7	8.8	7.9	3.7	2.8
1998:2	3.4	9.0	8.1	7.4	6.5
1998:3	3.1	9.8	8.8	6.6	5.6
1998:4	2.7	8.7	7.7	6.8	5.8
1999:1	2.4	7.4	6.2	7.6	6.4
1999:2	1.7	5.3	3.7	6.0	4.4
1999:3	2.0	6.6	4.6	6.8	4.9
1999:4	2.0	9.4	7.1	5.4	3.3
2000:1	2.6	10.0	7.1	9.1	6.3
2000:2	2.7	9.0	6.3	7.1	4.4
2000:3	2.0	5.9	3.4	5.5	3.0
2000:4	2.0	3.4	1.1	4.9	2.6
2001:1	0.9	1.1	-1.1	3.4	1.2
2001:2	0.1	5.1	2.7	0.4	-1.9
2001:3	-0.6	3.6	1.5	-1.9	-3.9
2001:4	-2.1	2.2	0.5	-1.3	-3.0
2002:1	-2.6	2.8	1.7	-2.6	-3.7
2002:2	-2.2	0.8	-0.4	-0.6	-1.8
2002:3	-1.3	2.4	0.9	1.1	-0.4
2002:4	-0.4	2.1	0.3	0.4	-1.4
2003:1	0.1	1.1	-1.2	-0.3	-2.6
2003:2	-0.0	2.4	0.6	1.8	-0.0
2003:3	0.0	3.9	1.9	4.5	2.5
2003:4	0.4	3.6	1.7	3.6	1.6
2004:1	0.7	3.6	1.6	7.2	5.1
2004:2	1.7	4.2	1.4	7.2	4.3
2004:3	1.8	3.5	0.9	6.4	3.6
2004:4	2.3	5.2	2.1	8.9	5.7
2005:1	2.7	5.9	3.1	9.3	6.4
2005:2	2.7	4.5	1.9	9.5	6.7
2005:3	2.8	5.9	2.6	10.3	7.0
2005:4	3.0	6.3	3.1	9.3	6.0
2006:1	3.3	8.0	4.8	10.2	6.9
2006:2	3.3	7.3	3.9	10.2	6.7
2006:3	3.5	8.8	5.8	9.3	6.3
2006:4	3.1	7.5	5.5	8.3	6.2
2007:1	2.6	6.1	3.9	5.0	2.8
2007:2	2.4	6.7	5.0	3.9	2.2
2007:3	2.2	6.7	5.0	3.5	1.8
2007:4	2.2	6.4	4.0	4.7	2.4
2008:1	2.2	6.4	4.3	5.3	3.2
2008:2	2.2	6.7	4.6	5.8	3.7
2008:3	2.3	7.1	5.1	5.8	3.9
2008:4	2.3	7.1	5.1	5.8	3.9
2009:1	2.2	7.1	5.1	5.6	3.7
2009:2	2.0	6.8	4.9	5.3	3.5

\* Based on Revenue Act tax liability (constant rate/base). Deflator for real growth is the personal consumption deflator. Revenue Act consists of the sales, use, B& O, and public utilities taxes.

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**Analysis for the Major Sources Based on Taxable Activity**

Revenue Act Sources

November 2006 Baseline Forecast

Source/Fiscal	Percentage Change		Personal Income
	Tax Base Adjusted*	Personal Income-1	Elasticity**
I. Retail Sales			
1988	8.0	7.3	1.1
1989	10.9	9.7	1.1
1990	13.7	10.5	1.3
1991	5.7	8.9	0.6
1992	6.6	6.6	1.0
1993	4.2	6.9	0.6
1994	6.3	4.3	1.4
1995	4.7	5.8	0.8
1996	3.6	5.8	0.6
1997	7.1	8.0	0.9
1998	7.3	8.1	0.9
1999	7.1	7.8	0.9
2000	7.4	8.8	0.8
2001	3.1	3.9	0.8
2002	-0.6	2.4	-0.3
2003	2.3	2.0	1.2
2004	5.1	3.8	1.4
2005	7.8	4.8	1.6
2006	9.7	6.9	1.4
2007	6.3	7.3	0.9
2008	4.8	6.6	0.7
2009	5.7	7.0	0.8
II. Business & Occupation			
1988	10.6	7.3	1.5
1989	9.4	9.7	1.0
1990	14.3	10.5	1.4
1991	6.3	8.9	0.7
1992	6.4	6.6	1.0
1993	3.5	6.9	0.5
1994	2.0	4.3	0.5
1995	6.8	5.8	1.2
1996	4.5	5.8	0.8
1997	9.0	8.0	1.1
1998	7.2	8.1	0.9
1999	7.2	7.8	0.9
2000	5.5	8.8	0.6
2001	3.0	3.9	0.8
2002	-3.4	2.4	-1.4
2003	-2.4	2.0	-1.2
2004	6.6	3.8	1.7
2005	9.9	4.8	2.1
2006	11.4	6.9	1.7
2007	8.0	7.3	1.1
2008	5.2	6.6	0.8
2009	5.2	7.0	0.7

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## Analysis for the Major Sources Based on Taxable Activity

Revenue Act Sources

Nov. 2006 Forecast

\*

Source/Fiscal	Percentage Change		Personal Income Elasticity**	
	Tax Base Adjusted*	Personal Income-1		
III. Use				
	1988	5.3	7.3	0.7
	1989	12.8	9.7	1.3
	1990	14.6	10.5	1.4
	1991	9.8	8.9	1.1
	1992	-0.9	6.6	-0.1
	1993	6.8	6.9	1.0
	1994	7.0	4.3	1.6
	1995	5.8	5.8	1.0
	1996	8.2	5.8	1.4
	1997	5.5	8.0	0.7
	1998	6.8	8.1	0.8
	1999	0.8	7.8	0.1
	2000	10.3	8.8	1.2
	2001	8.2	3.9	2.1
	2002	-8.2	2.4	-3.5
	2003	-7.8	2.0	-3.9
	2004	7.7	3.8	2.0
	2005	12.6	4.8	2.6
	2006	1.5	6.9	0.2
	2007	8.4	7.3	1.2
	2008	6.8	6.6	1.0
	2009	6.9	7.0	1.0

### IV. Public Utility

1988	3.2
1989	0.7
1990	-1.3
1991	7.1
1992	0.0
1993	9.5
1994	13.6
1995	6.5
1996	1.4
1997	1.4
1998	4.0
1999	4.7
2000	7.2
2001	15.4
2002	0.5
2003	-2.0
2004	7.5
2005	6.8
2006	10.2
2007	4.4
2008	5.3
2009	4.2

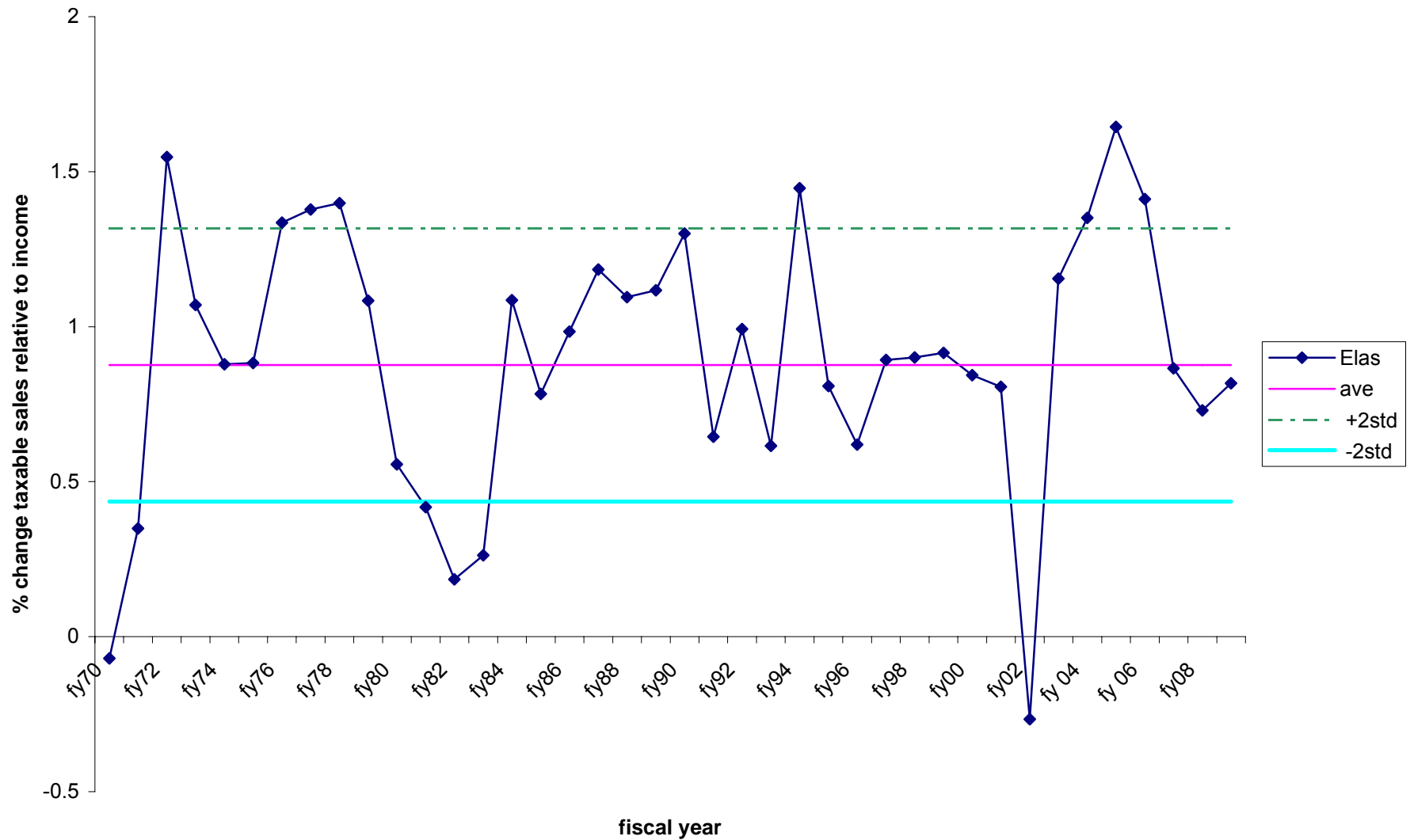
\* Based on constant base taxable data.

\*\* Percent changes in taxable activity relative to percent change in personal income.

1 Income adjusted to exclude special dividend payment in fy 05.

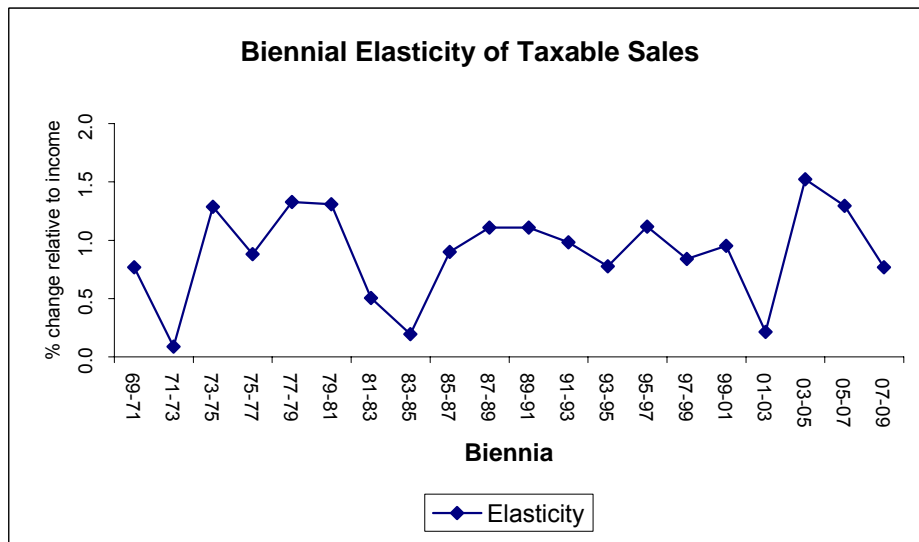
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### %Change of Taxble Sales\* Relative to Income



Biennial Elasticity  
Taxable Sales (adjusted)  
November 2006 Forecast

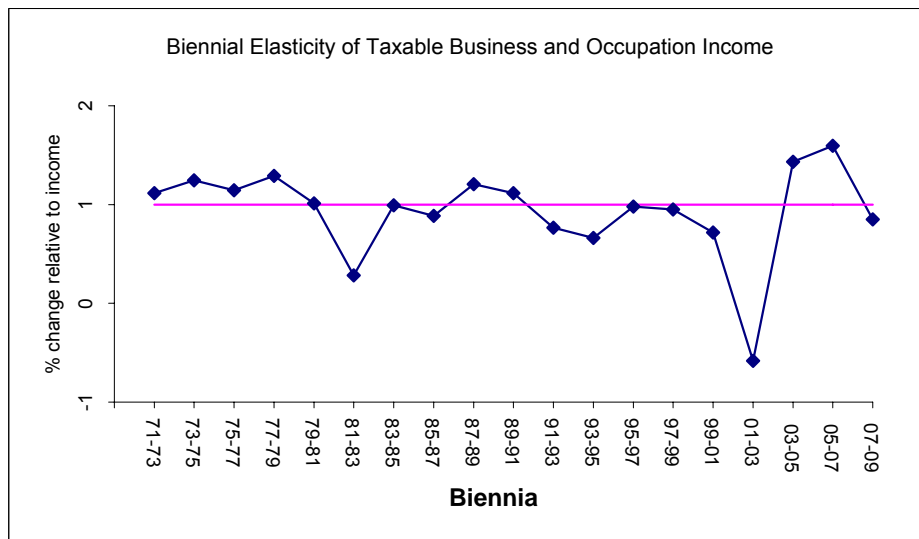
<u>Biennium</u>	<u>Elasticity</u>	<u>rank</u>
03-05	1.5	1
75-77	1.3	2
77-79	1.3	3
05-07:Est.	1.3	4
71-73	1.3	5
93-95	1.1	6
87-89	1.1	7
85-87	1.1	8
89-91	1.0	9
97-99	1.0	10
83-85	0.9	11
73-75	0.9	12
99-01	0.9	13
95-97	0.8	14
91-93	0.8	15
07-09:Est.	0.8	16
79-81	0.5	17
01-03	0.2	18
81-83	0.2	19
69-71	0.1	19



\*Percent change taxable sales (adjusted for major base changes) relative to percent changes in income.  
(Ave. of the elasticities of the fiscal years of the biennium. Based on the moving average of  
state disposable personal income (adjusted for special Microsoft dividend.)

**Biennial Elasticity**  
**Taxable Business and Occupation Income (adjusted)**  
**November 2006 Forecast**

<u>Biennium</u>	<u>Elasticity</u>	<u>rank</u>
<b>05-07: Est.</b>	<b>1.6</b>	<b>1</b>
<b>03-05</b>	<b>1.4</b>	<b>2</b>
77-79	1.3	3
73-75	1.2	4
87-89	1.2	5
75-77	1.1	6
71-73	1.1	7
89-91	1.1	8
79-81	1.0	9
83-85	1.0	10
95-97	1.0	11
97-99	1.0	12
85-87	0.9	13
<b>07-09:Est.</b>	<b>0.9</b>	<b>14</b>
91-93	0.8	15
99-01	0.7	16
93-95	0.7	17
81-83	0.3	18
01-03	(0.6)	19





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**General Fund-State**

Biennial Growth

November 2006 Forecast

General Fund-State Collection Growth <sup>1</sup>			Adjusted Growth Major Taxes <sup>2</sup>
Total GFS Current Dollars			2000 Chained Dollars
Biennia			
1971-73	10.9%		7.6%
1973-75	23.4%		8.7%
1975-77	43.1%		14.8%
1977-79	32.3%		23.6%
1979-81	19.3%		3.4%
1981-83	27.0%		-7.1%
1983-85	20.6%		3.4%
1985-87	16.7%		4.9%
1987-89	14.2%		9.9%
1989-91	21.7%		15.0%
1991-93	11.7%	10.3 *	4.5%
1993-95	11.5%	7.7 *	6.2%
1995-97	6.5%	10.6 *	6.0%
1997-99	11.2%	14.5 *	12.2%
1999-01	8.4%	12.0 *	7.6%
2001-03	-0.6%	1.9 *	-1.1%
2003-05	10.6%	10.3% *	9.1%
2005-07 <sup>F</sup>	17.0%	18.0% *	13.5%
2007-09 <sup>F</sup>	7.9%	7.5% *	6.2%

---

\* Growth adjusted for major non-economic changes.

1 Actual growth in Total General Fund-State tax receipts includes growth due to changes in tax rates, the tax base as well as administrative and accounting changes. Represents growth of revenue available for appropriation. Growth is affected by factors other than economic performance, hence the growth rates may not be comparable among biennia.

2 Estimated growth of six major taxes (sales, B&O, use, public utility, real estate excise, and property) on a tax liability basis, adjusted to a constant rate and base and adjusted for price changes. The growth rates in this column provide a measure of how revenue growth varies over time and with the economy.

F Forecast

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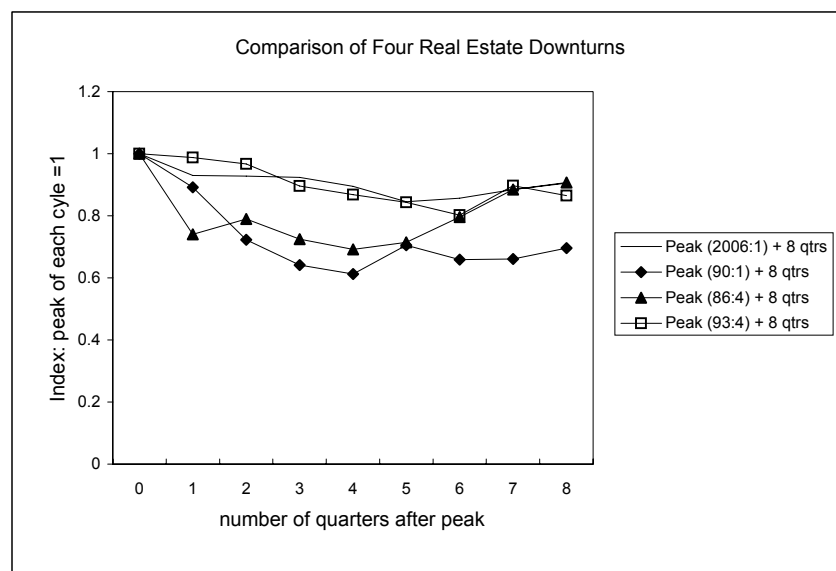
## Downturns of the Real Estate Excise Taxbase in the Last 25 years

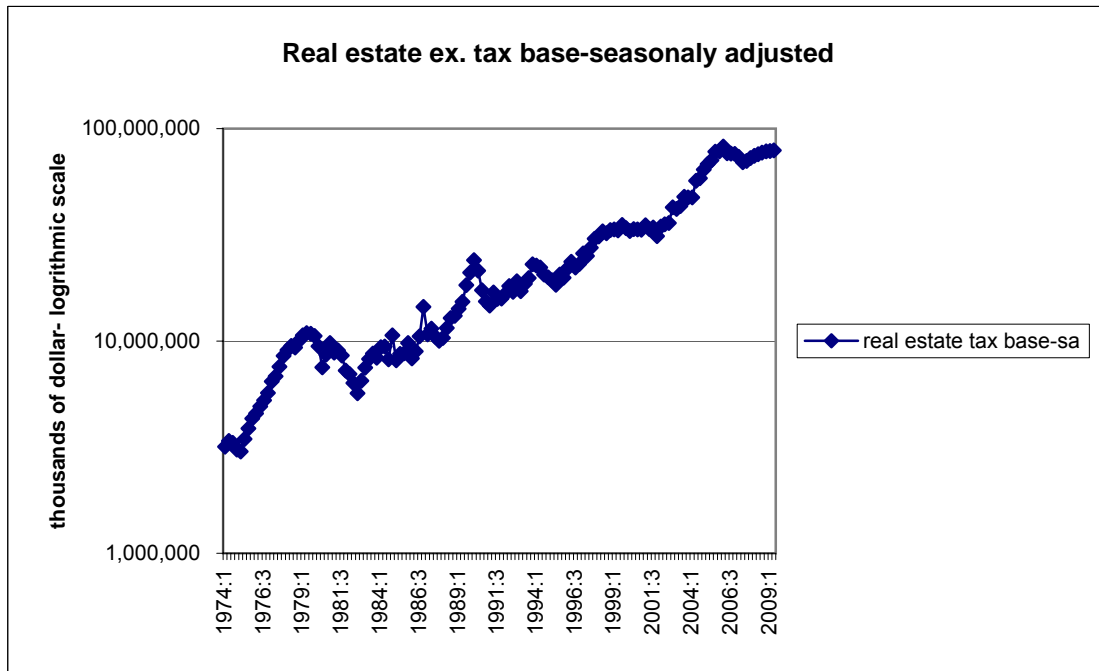
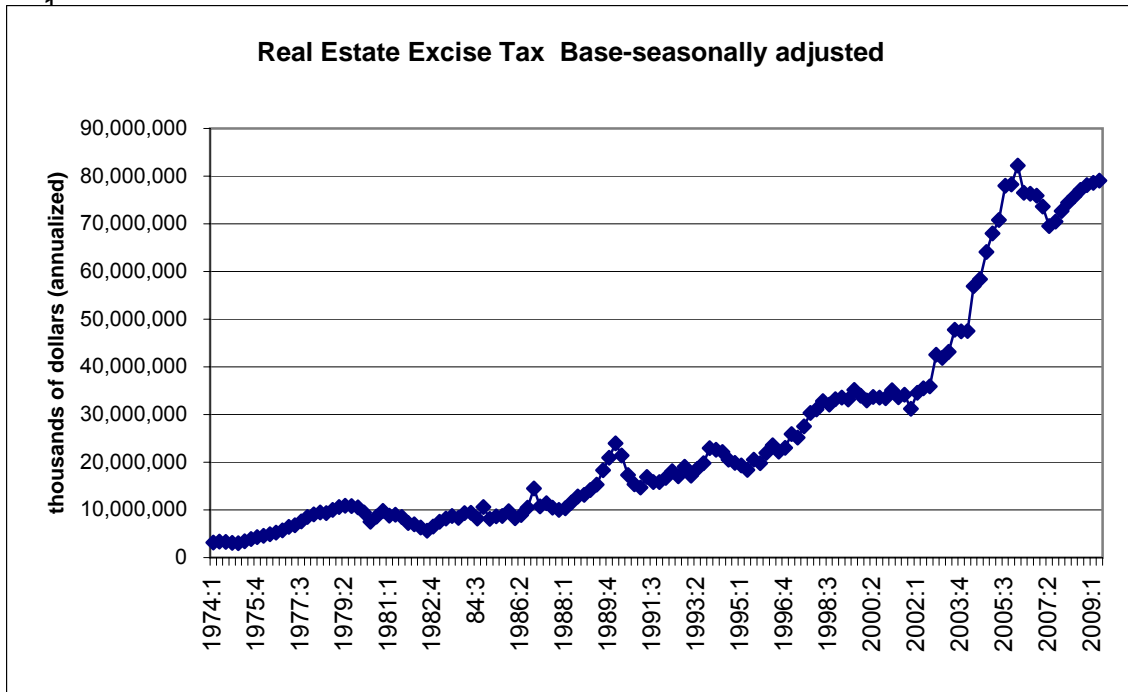
<u>Period</u>	<u>Decline of Taxbase</u>	<u>Number of Qtrs</u>	<u>Peak to Trough Difference in Mtg rate</u>
Peak: 1979:2 Trough: 1980:2	-31.0%	4	3.7
Peak: 1980:4 Trough: 1982:3	-42.1%	7	1.9
Peak: 1986:4 Trough: 1987:4**	-30.8%	4	1.2
Peak: 1990:1 Trough: 1991:1	-38.8%	4	(0.6)
Peak: 1993:4 Trough: 1995:2**	-19.8%	6	0.9
Peak: 1999:3 Trough: 2001:4	-11.3%	9	(1.0)
<b>Average for all downturns</b>	<b>-29.0%</b>	<b>5.7</b>	<b>1.0</b>
<b>Ave.for non recession downturns**</b>	<b>-25.3%</b>	<b>5.0</b>	<b>1.0</b>

### Novembmer 2006 Forecast

Peak: 2006:1 Trough: 2007:2	-15.5%	5	(0.0)
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\*\*Non recession downturns





**General Fund - State Cash Receipts**  
November 2006 Forecast by Fiscal Year  
(Millions of Dollars)

	<u>General Fund - State</u>	<u>Percent Change</u>
<b>Fiscal Years</b>		
1986	\$4,566.2	
1987	5,008.4	9.7%
1988	5,248.1	4.8%
1989	5,686.0	8.3%
1990	6,505.4	14.4%
1991	6,803.5	4.6%
1992	7,297.6	7.3%
1993	7,564.6	3.7%
1994	8,013.4	5.9%
1995	8,551.3	6.7%
1996	8,581.2	0.3%
1997	9,056.6	5.5%
1998	9,640.9	6.5%
1999	9,979.2	3.5%
2000	10,433.2	4.5%
2001	10,828.9	3.8%
2002	10,450.7	-3.5%
2003	10,689.9	2.3%
2004	11,321.2	5.9%
2005	12,067.3	6.6%
<b>Forecast</b>		
2006	13,328.8	10.5%
2007	14,037.0	5.3%
2008	14,365.7	2.3%
2009	15,167.6	5.6%

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**General Fund-State And Near General Fund-State\***  
**November 2006 and September 2006 Forecast**  
**2005-07 & 2007-09 Biennia**  
**Millions of dollars**

	2005-07 Biennium			2007-09 Biennium			Change From 2005-07	
	<u>Sept. 2006 Forecast</u>	<u>Nov. 2006 Forecast</u>	<u>Difference</u>	<u>Sept. 2006 Forecast</u>	<u>Nov. 2006 Forecast</u>	<u>Difference</u>	<u>Amount</u>	<u>Percent</u>
General Fund-State	\$ 27,316.8	\$ 27,365.8	\$ 49.0	\$ 29,525.7	\$ 29,533.3	\$7.6	\$2,167.5	7.9%
Near General Fund*								
Health Services Account	1,181.5	1,185.6	4.1	1,232.5	1,227.6	(4.9)	42.0	3.5%
Violence Reduction and Drug Enforce.Acct.	105.9	105.8	(0.1)	106.9	106.6	(0.2)	0.8	0.7%
Water Quality Account	55.9	55.7	(0.2)	91.0	91.0	0.0	35.3	63.5%
Student Achievement Account	491.8	491.8	0.0	507.6	503.3	(4.3)	11.4	2.3%
Public Safety and Education Account	170.9	171.1	0.3	190.0	190.3	0.3	19.1	11.2%
Total Near GF	2,006.0	2,010.1	4.1	2,128.0	2,118.8	(9.2)	108.7	5.4%
Total GF and Near GF	\$ 29,322.7	\$ 29,375.9	\$ 53.2	\$ 31,653.7	\$ 31,652.0	(1.6)	2,276.2	7.7%

\*Cash forecast; (revised definition 10/9/06)

General Fund-State and Near General Fund  
History/Forecast by Fiscal Year  
November 2006 - Millions of Dollars

	General Fund-State		Near General Fund		GFS and Near GFS	
	Level	% Change	Level	% Change	Level	% Change
fiscal 1995	8,551.3		not available		not available	
fiscal 1996	8,581.2	0.3%	not available		not available	
fiscal 1997	9,056.6	5.5%	not available		not available	
fiscal 1998	9,640.9	6.5%	not available		not available	
fiscal 1999	9,979.2	3.5%	not available		not available	
fiscal 2000	10,433.2	4.5%	not available		not available	
fiscal 2001	10,828.9	3.8%	not available		not available	
fiscal 2002	10,450.7	-3.5%	not available		not available	
fiscal 2003	10,689.9	2.3%	not available		not available	
fiscal 2004	11,321.2	5.9%	not available		not available	
fiscal 2005	12,067.3	6.6%	not available		not available	
fiscal 2006	13,328.8	10.5%	988.8		14,317.6	
fiscal 2007	14,037.0	5.3%	1,021.3	3.3%	15,058.3	5.2%
fiscal 2008	14,365.7	2.3%	1,043.0	2.1%	15,408.6	2.3%
fiscal 2009	15,167.6	5.6%	1,075.8	3.1%	16,243.4	5.4%